



NOT FOR RELEASE OR DISTRIBUTION IN THE UNITED STATES

IAG announces completion of share purchase plan and increases the amount raised

IAG advises that it has completed the retail Share Purchase Plan (SPP) which it announced with the institutional placement (**Placement**) on Friday 20 November 2020.

A total of approximately 25.3 million new fully paid ordinary shares (SPP Shares) are expected to be issued, raising \$125.9 million. The SPP Shares will rank equally with existing shares on issue from allotment. The SPP originally targeted \$100 million, however, IAG has exercised its discretion to increase the size of the SPP to \$125.9 million. This increase will allow IAG to accept all valid applications in full and with no scale back.

Key features of the SPP include:

- SPP Shares will be issued to successful applicants at \$4.97 per share (being the lower of the \$5.05 price paid under the Placement and the 5 day VWAP of \$5.07 up to and including Friday 18 December 2020 less a 2% discount)
- The SPP was open to 640,216 eligible shareholders registered as at 7:00pm (Sydney time) on Thursday 19 November 2020
- IAG received approximately \$125.9 million worth of valid applications from 11,651 eligible shareholders and qualifying Custodians representing a 1.8% application participation rate
- The average application amount was approximately \$10,800

IAG has raised \$775.9 million (before costs) from the \$650 million Placement and the SPP for the purpose of maintaining its capital position above the upper end of its Common Equity Tier 1 targeted benchmark range, in light of the provision recognised for potential business interruption claims following a test case decision handed down by the Supreme Court of New South Wales Court of Appeal on 18 November 2020.

The SPP Shares are expected to be issued on Thursday 31 December 2020 and to commence trading on the ASX on Monday 4 January 2021. Holding statements are expected to be sent to successful applicants from Wednesday 6 January 2021 and refunds for application monies due to late or invalid applications will be processed in accordance with the terms of the SPP.

Shareholders with questions about the SPP should contact the Registrar from 8.30am to 5.00pm (Sydney time) on business days on 1300 360 688 (toll free within Australia) or +61 3 9415 4210 (from outside Australia).

This release has been authorised by IAG's Group General Counsel and Company Secretary.

IMPORTANT NOTICE

This announcement may not be released or distributed in the United States. This announcement does not constitute an offer to sell, or the solicitation of an offer to buy, any securities (including the SPP Shares) in the United States or any other jurisdiction in which such an offer would be illegal. The SPP Shares to be offered and sold under the SPP have not been, and will not be, registered under the U.S. Securities Act of 1933, as amended, or the securities laws of any state or other jurisdiction of the United States and may not be offered or sold, directly or indirectly, in the United States or to any person that is acting for the account or benefit of a person in the United States (to the extent such person is acting for the account or benefit of a person in the United States). All \$ references are to Australian dollars.

About IAG

IAG is the parent company of a general insurance group (the Group) with controlled operations in Australia and New Zealand. The Group's businesses underwrite over \$12 billion of premium per annum, selling insurance under many leading brands, including: NRMA Insurance, CGU, SGIO, SGIC, Swann Insurance and WFI (Australia); and NZI, State, AMI and Lumley (New Zealand). IAG also has an interest in a general insurance joint venture in Malaysia. For further information, please visit www.iag.com.au.

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